

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2272 - SB 2196**

March 3, 2018

**SUMMARY OF BILL:** Requires at least one social worker in each school on the following schedule: In FY18-19, one social worker in every elementary school; in FY19-20, one social worker in every middle school; in FY20-21, one social worker in every high school. Requires the State Board of Education (SBE) to establish a social worker program.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$134,400/FY19-20 and Subsequent Years**

**Increase Local Expenditures -- \$64,293,200/FY18-19\***

**\$84,783,700/FY19-20\***

**\$105,946,000 /FY20-21 and Subsequent Years\***

**State Assumptions:**

- In FY19-20, the Department of Children's Services (DCS) will need to hire one social worker at each of its two youth development centers that serves youths between the ages of 13-19, for a total of two positions.
- The average annual cost for a licensed social worker with benefits and overhead is estimated to be \$67,182 (\$46,225 salary + \$18,646 benefits + \$2,311 overhead).
- The recurring increase in state expenditures beginning in FY19-20 to hire the two social workers is estimated to be \$134,364 (\$67,182 x 2 positions).

**Local Assumptions:**

- No change in Basic Education Program (BEP) funding formula.
- The SBE will be able to establish the program in accordance with the provisions of this legislation during the normal course of business; therefore, any fiscal impact to the SBE is estimated to be not significant.
- No additional state funding will be provided; therefore any impact from hiring additional social workers will be paid for by LEAs.
- The average annual cost for a licensed social worker with benefits and overhead is estimated to be \$67,182 (\$46,225 salary + \$18,646 benefits + \$2,311 overhead).

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- In FY18-19, 957 additional social workers will be hired to staff elementary schools.
- This will result in a mandatory increase in local government expenditures of \$64,293,174  $(\$67,182 \times 957 \text{ positions})$  in FY18-19.
- In FY19-20, 305 additional social workers will be hired to staff middle schools.
- This will result in a total mandatory increase in local government expenditures of \$84,783,684  $[\$64,293,174 + (\$67,182 \times 305 \text{ positions})]$  in FY19-20.
- In FY20-21, 315 additional social workers will be hired to staff high schools.
- This will result in a total mandatory recurring increase in local government expenditures of \$105,946,014  $[\$84,783,684 + (\$67,182 \times 315 \text{ positions})]$  in FY20-21 and subsequent years.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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